

# **Overview of the Connecticut Green Bank**

## **Testimony to the Alaska Legislature (House Bill 170 / Senate Bill 123)**

April 2021

**Bert Hunter**  
**Chief Investment Officer**  
**Connecticut Green Bank**

# Connecticut Green Bank

## About Us



- **Quasi-public organization** – Created in 2011 and successor to the Connecticut Clean Energy Fund.
- **Focus** – Finance clean energy (i.e. renewable energy, energy efficiency, energy storage, alternative fuel vehicles and infrastructure, etc.).
- **Balance Sheet** – Approx \$77m net position & \$213m assets FY20
- **Revenue & Funding** – from a variety of sources, including:
  - **State Support** – \$0.001/kWh surcharge on electric ratepayer bills (about \$7-\$10 per household per year ≈ \$24-26M per year) and **Regional Greenhouse Gas Initiative** about \$3-5M per year (for renewable energy)
  - **Federal Support** – competitive solicitations (e.g., SunShot, USDA, etc.) and non-competitive resources (e.g., ARRA-SEP)
  - **Portfolio Cash Flow** – Approx \$8M / year
  - **Bonds & Borrowing** – issue “green liberty bonds,” bank loan facilities, tax equity investors, and foundations (e.g., PRI’s)

# Connecticut Green Bank

## Board of Directors



### Committees



**Deployment**  
Michael Li  
DEEP



**BO&C**  
John Harrity  
Connecticut Roundtable  
on Climate and Jobs



**AC&G**  
Matthew Ranelli  
Shipman & Goodwin



**Joint CEEF-CGB**  
Eric Brown  
CBIA

#### **Chair**

Lonnie Reed  
Former State Rep.

#### **Secretary**

Matthew Ranelli  
Shipman & Goodwin

#### **Vice Chair**

Michael Li  
DEEP

#### **Member**

Shawn Wooden  
Treasurer  
State of Connecticut

#### **Member**

Binu Chandy  
DECD

#### **Member**

Brenda Watson  
Operation Fuel

#### **Member**

John Harrity  
Connecticut Roundtable  
on Climate and Jobs

#### **Member**

Eric Brown  
CBIA

#### **Member**

Kevin Walsh  
Stonepeak  
Infrastructure Partners

#### **Member**

Thomas Flynn  
Coral Drive Partners

#### **Member**

Adrienne Farrar  
Houël  
Greater Bridgeport  
Community Enterprises

# Connecticut Green Bank

Our focus...

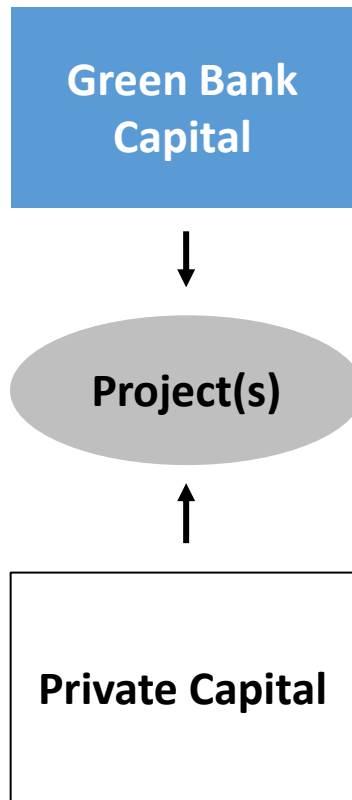


## Green Bank

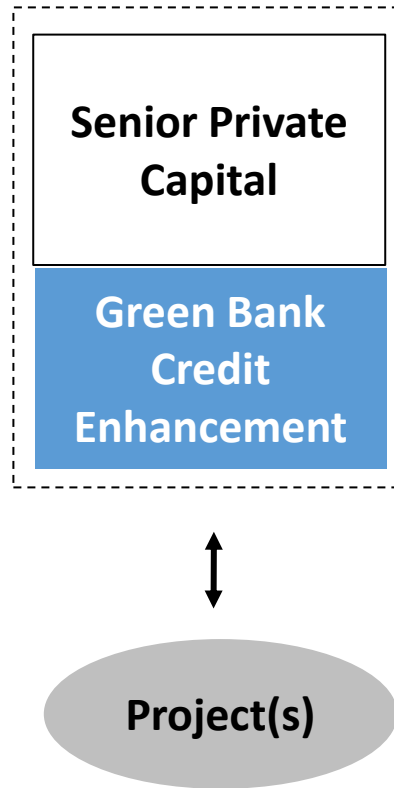
- **create affordable long-term, sustainable financing**
- **energy efficiency and clean energy (solar, hydro, wind)**
- **support residential, commercial, industrial + government (Muni / State) sectors**
- **leverage private sector capital**

# How Green Banks Leverage Public Capital with More Private Capital (methodologies...)

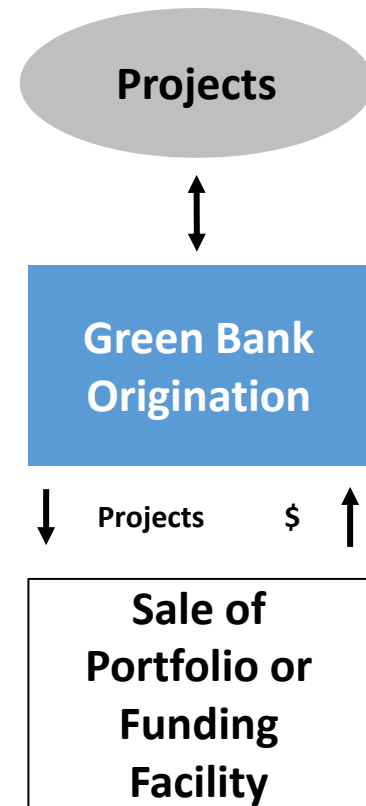
## Co-Investment



## Credit Support



## Warehousing



# How Green Banks Leverage Public Capital with More Private Capital (our current programs/products...)

## Co-Investment



Small Business Energy Advantage

### LIME

- Low Income Multifamily Energy
- Affordable
- Unsecured



## Credit Support



## Warehousing

**cpace**

Putting building owners in control  
with green energy





# Statewide EE Programs *working with our energy utilities...*



In-Home  
Services

Municipal Utility Customers

Home Energy Solutions-Core Services

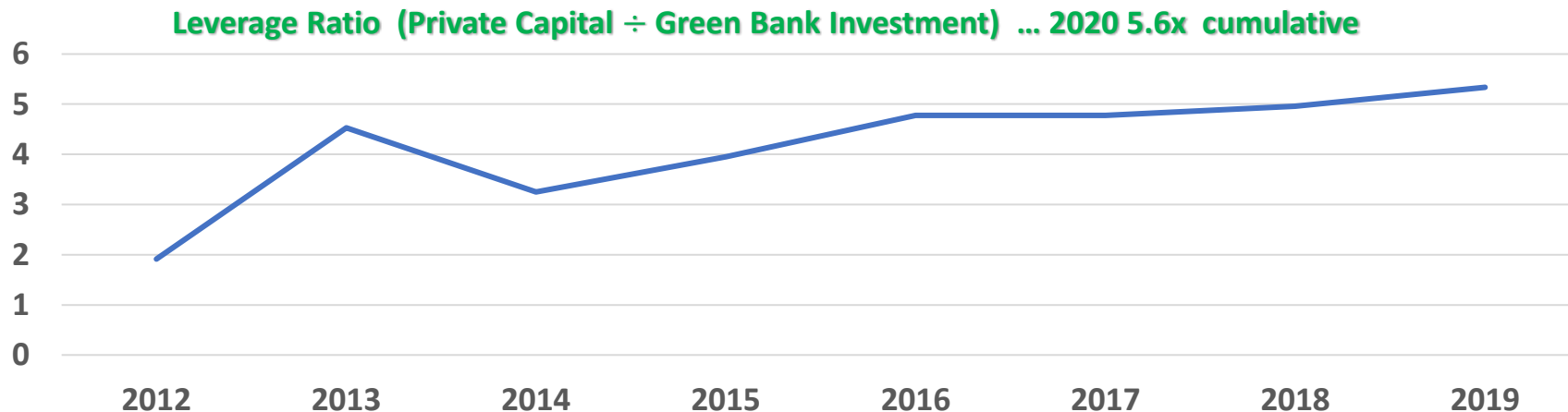
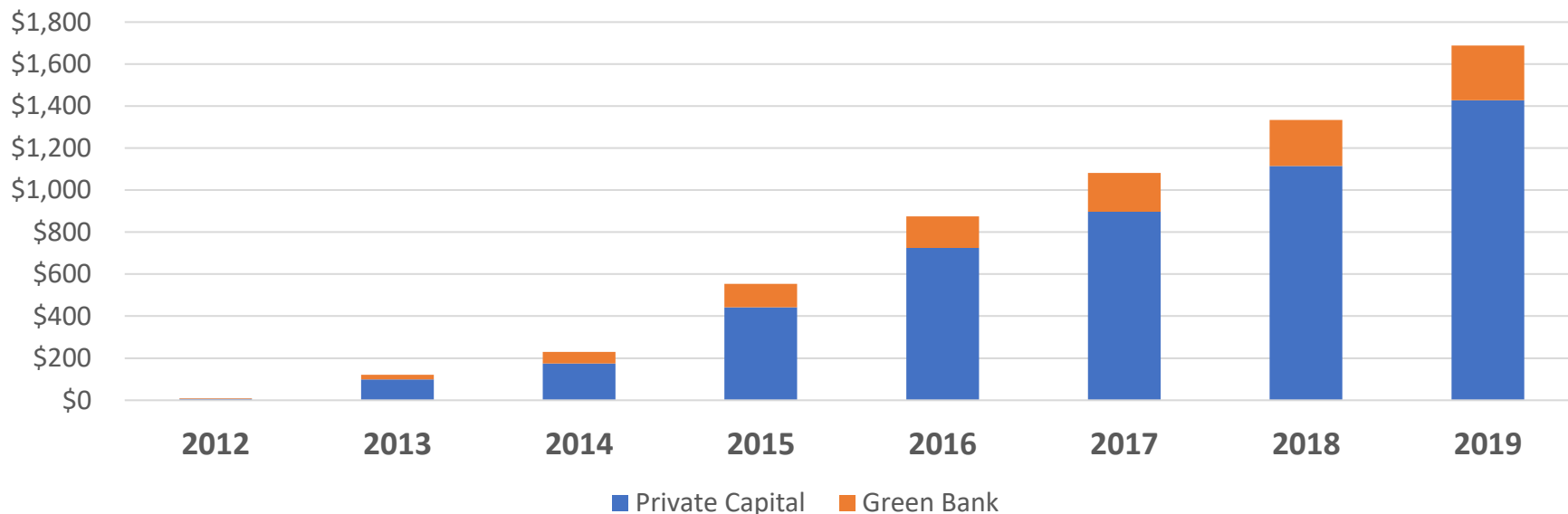


Small Businesses



Energy-Saving Solutions as a  
Cornerstone to Your Business

# Green Bank Clean Energy Aggregate Investment by Source - Public and Private (cum millions ... 2020 = \$1.95Bn)



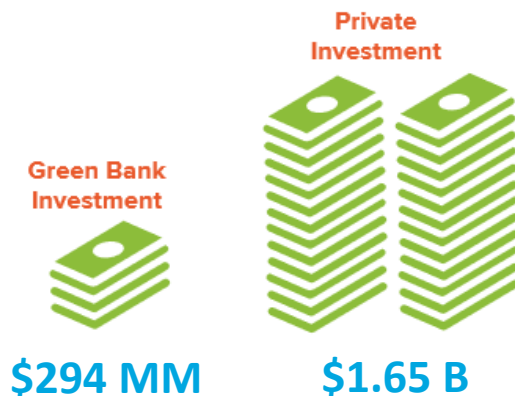


# Connecticut Green Bank

## Impact Investment – Social and Environmental



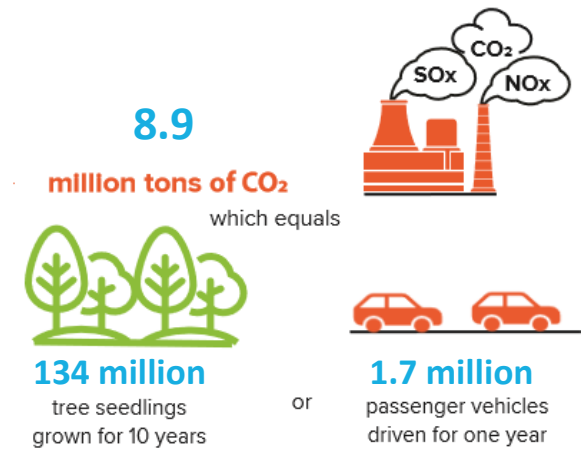
### INVESTMENT



### ECONOMIC DEVELOPMENT



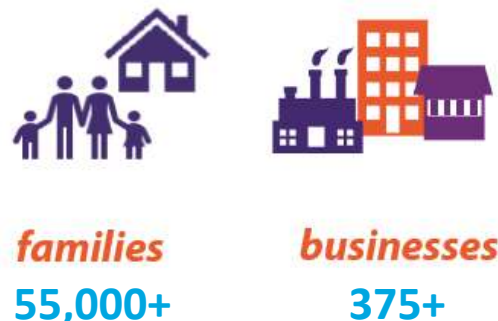
### ENVIRONMENTAL PROTECTION



### TAX REVENUES



### ENERGY BURDEN REDUCED

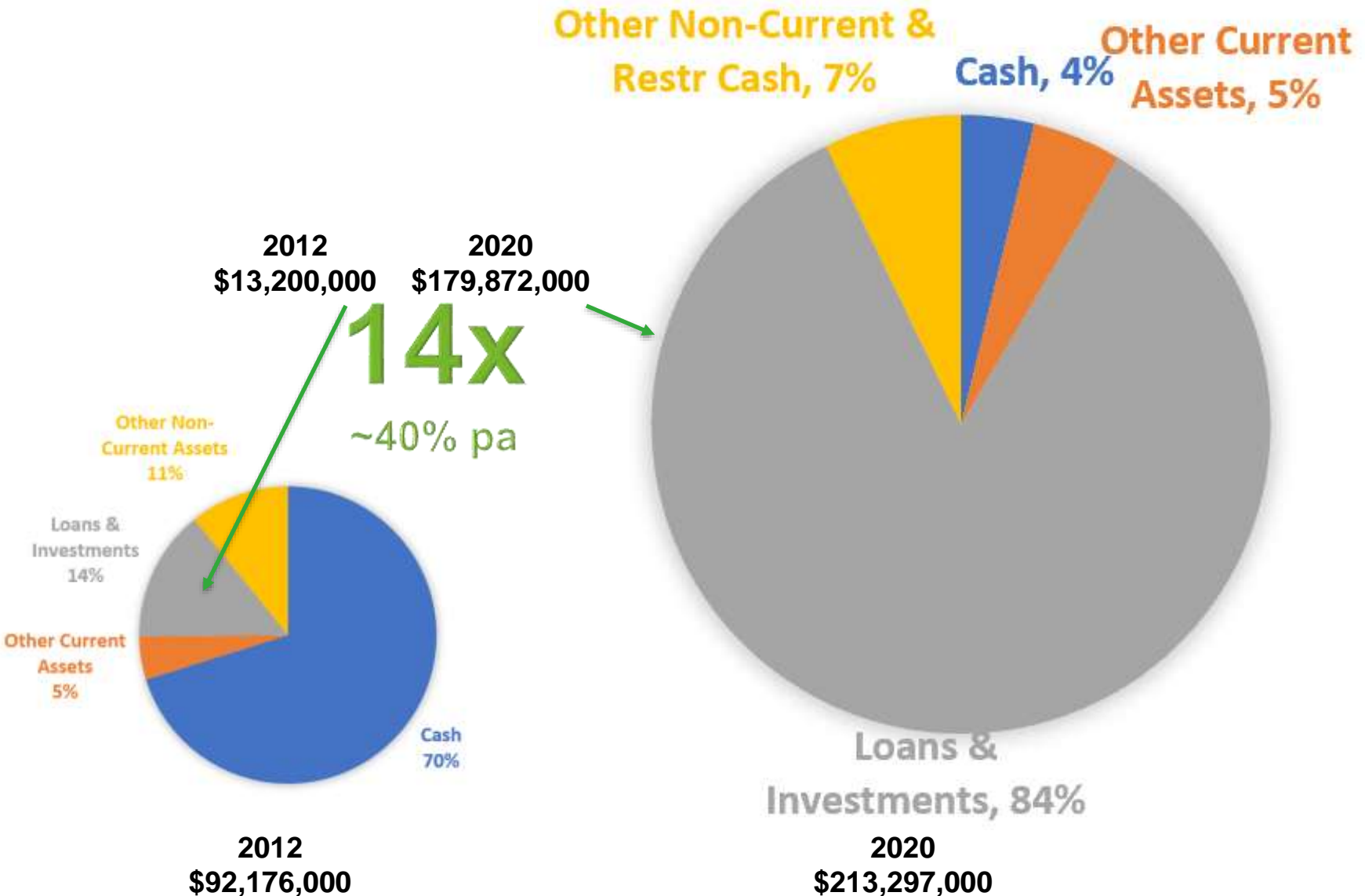


### PUBLIC HEALTH SAVINGS



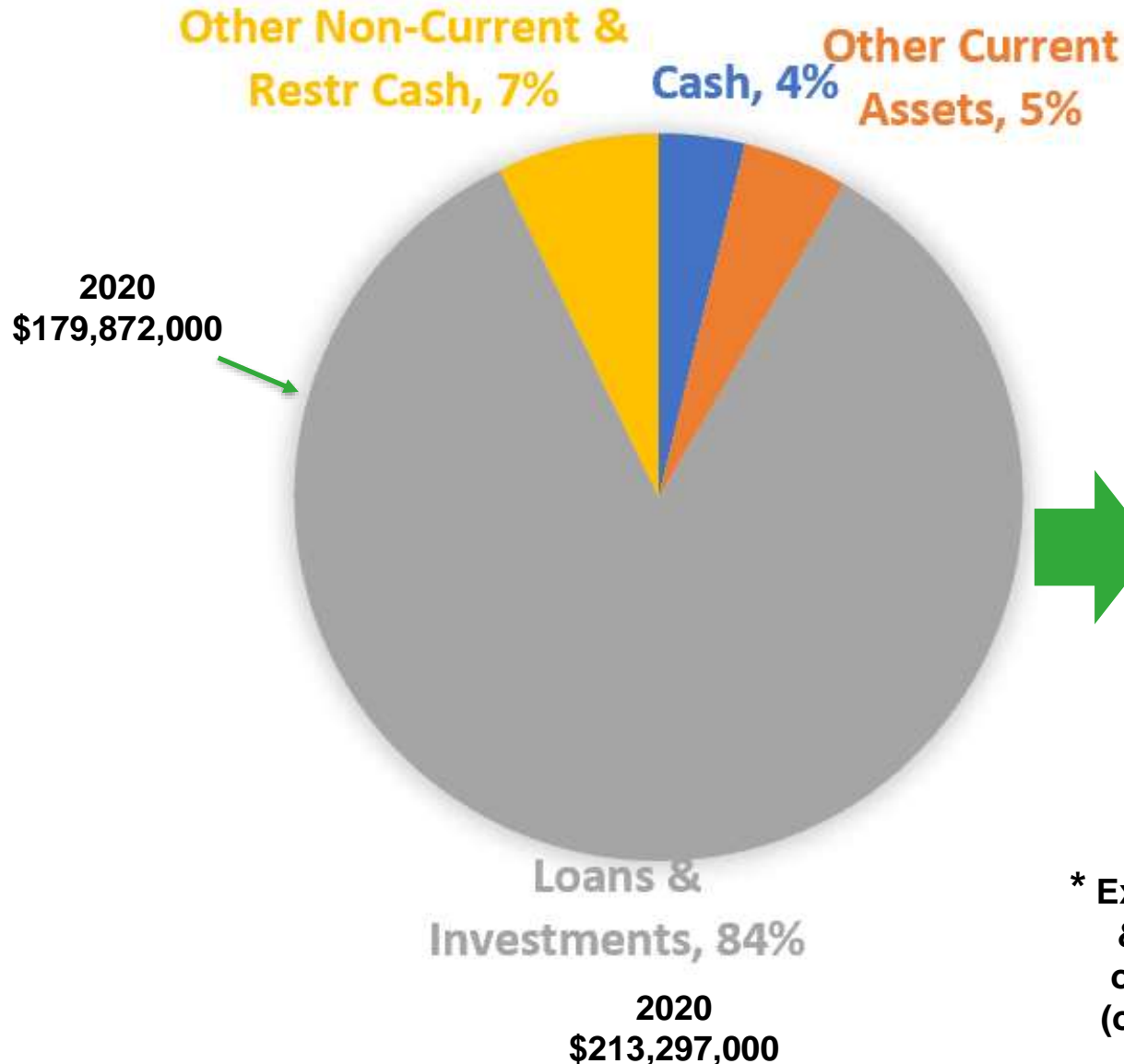
# Connecticut Green Bank

## Balance Sheet Evolution



# Connecticut Green Bank

## Balance Sheet Evolution

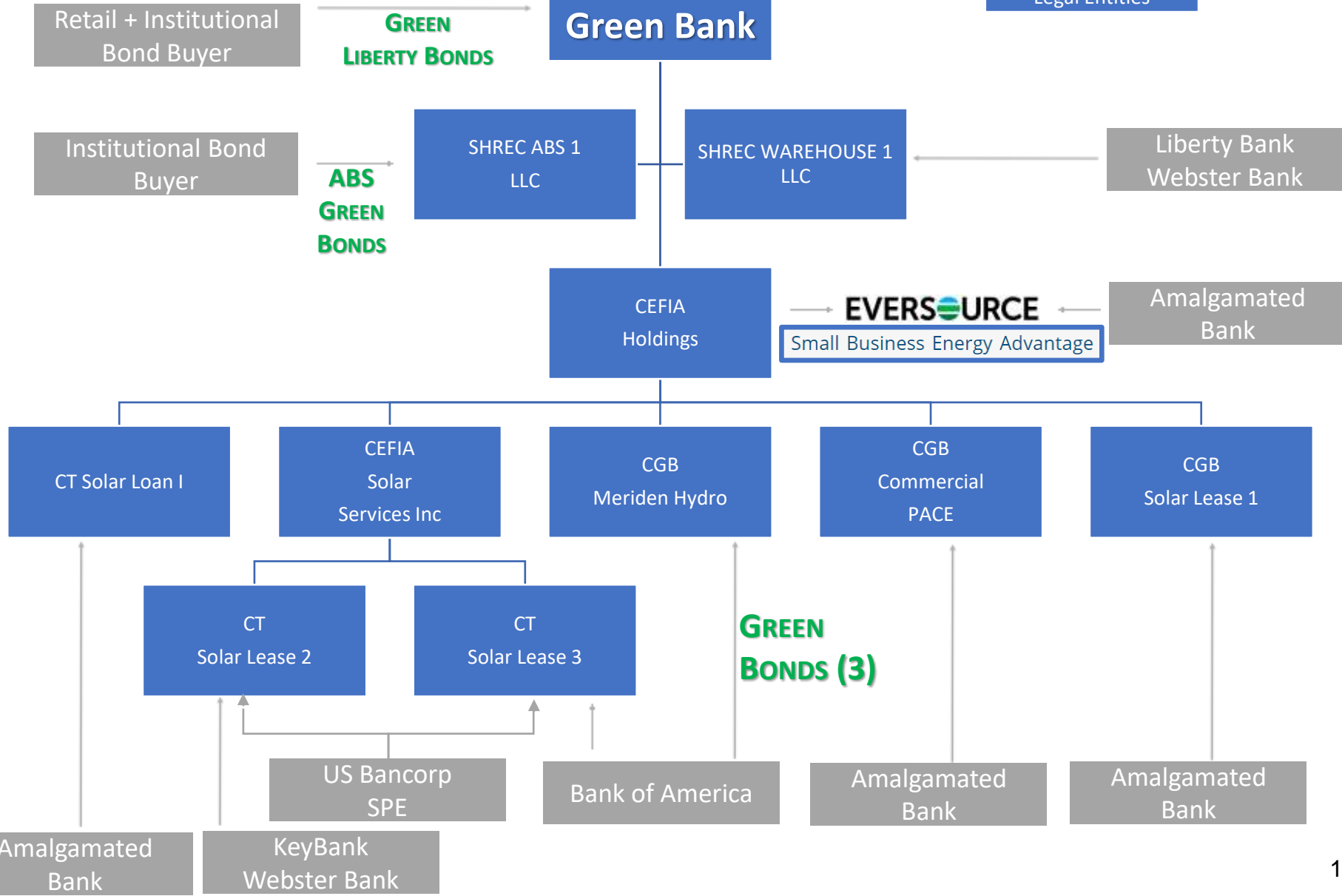


Portfolio Component	Percentage
C-PACE	30%
Commercial Solar & EE	35%
Residential Solar Funds*	27%
Grid Tied Projects	8%

\* Excludes \$44mm of Residential EE & Solar financing (4,000 loans) outstanding via partner lenders (originally \$70mm & 4,600 loans)

# Connecticut Green Bank

## Organization overview



# Public-Private Partnerships



>\$800 Million<sup>1</sup> in Private Capital Raised (5 Years)

**\$80 MM**

CLOSED  
15:1



Grid-Tied

**\$60 MM**

CLOSED  
4:1



Residential Solar &  
Energy Efficiency

**\$105 MM**

CLOSED  
7.5:1



Residential Solar  
Commercial Solar

**\$30 MM**

CLOSED  
4:1



C-PACE

**\$60 MM**

OPEN  
17:1<sup>2</sup>



Residential Energy

**\$100 MM**

OPEN  
5:1



Residential Solar

**\$50-100 MM**

CLOSED  
9:1



C-PACE

**\$60+ MM**

CLOSED  
6:1<sup>3</sup>



Commercial Solar

**\$77 MM**

PROJECT FINANCE  
8:1



**\$40 MM**

CLOSED  
100%



CT Green Bank  
REC Securitization

**\$67 MM**

Open  
10:1



Small Business  
Energy Advantage

**\$17 MM**

CLOSED



STIFEL

CT Green Bank  
Green Liberty Bonds

## REFERENCES

1. Several transactions such as small hydro, wind, microgrid, CHP and anaerobic digestors not represented on slide
2. LLR of \$3.3 MM yields high leverage – and it is 2<sup>nd</sup> loss and thus with no to low defaults (i.e., 10 loans out of 3,447 have defaulted as of 12/31/18 with \$22K in LLR). IRB's using ARRA-SEP not considered in the leverage ratio.



# Green Liberty Bonds

<http://www.greenlibertybonds.com/>



We appreciate your interest in Connecticut Green Bank's Green Liberty Bonds, which will support critical investment in clean energy and energy efficiency projects and infrastructure throughout the State.

Our 2020 issuance of Green Liberty Bonds was a success, selling out of nearly \$17 million of bonds, with priority given to retail investors. These bonds helped the Connecticut Green Bank energize the green economy and confront climate change to provide all of society a healthier and more prosperous future. Through our Green Liberty Bonds, we are empowering more people to support our transition to a zero carbon economy – creating the sustainable future and modern infrastructure we want to see in our society.

ISSUER OVERVIEW

NOTIFICATIONS  
 ON

Connecticut Green Bank

Issuer Type: State/Province

BOND RATINGS

Green Liberty Bonds

S&P A S&P A

BONDS 1 DOCUMENTS

NEWS/EVENTS CONTACT US



# Connecticut Green Bank

## Bond Awards



- The Green Bank won two Environmental Finance Bond awards in 2020. The awards were judged by an independent panel comprising 30 of the world's largest green, social and sustainability bond investors
- The Green Bank also won the Bond Buyer Innovative Deal of the Year Award. The Deal of the Year awards recognize innovation in municipal finance and represent the full diversity of the communities and public purposes that are served by the municipal finance market.

**THE BOND BUYER**  
**DEAL** of the **YEAR**  
2020



